

PRESS RELEASE

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For Immediate Release

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Madison, Wisconsin -- Erik C. Peterson, United States Attorney for the Western District of Wisconsin, announced the unsealing today of an indictment charging Dzmitry G. Huzau, age 27, and Aliaksei Pahodzin, age 25, both citizens of Belarus, with 31 counts of conspiring to, and filing electronic federal income tax forms claiming false refunds. The indictment also charges Huzau and Pahodzin with four counts of wire fraud based on the electronic filing of false income tax returns with the Wisconsin Department of Revenue.

The charge of conspiring to defraud the United States carries a ten-year maximum penalty; the thirty charges of filing false claims against the United States each carry a five-year maximum penalty. The four wire fraud charges based on the false claims filed with the Wisconsin Department of Revenue each carry a 20-year maximum penalty.

The indictment alleges that the defendants obtained the names and social security numbers of over 150 deceased individuals. They then electronically filed over 150 false income tax returns with the Internal Revenue Service and over 130 false income tax returns with the Wisconsin Department of Revenue. The vast majority of

these returns reported the same financial information regarding wages and federal withholding, and sought a refund of \$731. As further part of the scheme, the defendants directed that the refunds be electronically deposited into bank accounts in the defendant's names or accounts controlled by them. The false income tax returns electronically filed with the Internal Revenue Service sought refunds totaling in excess of \$100,000 and the defendants received approximately \$11,000 in refunds from the Internal Revenue Service. The defendants obtained in excess of \$50,000 in fraudulent refunds from the Wisconsin Department of Revenue.

Huzau and Pahodzin are currently fugitives. Any individual with information regarding their whereabouts is requested to call the Internal Revenue Service, Criminal Investigation Division, in Madison, Wisconsin, at 608-829-8141.

Prosecution of this case has been assigned to Assistant U.S. Attorney John W. Vaudreuil.

You are advised that a charge is merely an accusation and that a defendant is presumed innocent until and unless proven guilty.

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